

AMENDED IN SENATE APRIL 22, 2013

AMENDED IN SENATE MARCH 4, 2013

Senate Concurrent Resolution

No. 12

Introduced by Senator Calderon
(Coauthor: Assembly Member John A. Pérez)

February 20, 2013

Senate Concurrent Resolution No. 12—Relative to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SCR 12, as amended, Calderon. Taxation.

This measure would encourage state *agencies, departments, and commissions* to ~~identify and utilize existing and potential~~ *include in their public mission any appropriate efforts to encourage their employees to be a volunteer in the federal Volunteer Income Tax Assistance program and to work with public or private partnerships to* inform citizens and employees about the availability of the federal Earned Income Tax Credit and Volunteer Income Tax Assistance programs, as specified.

Fiscal committee: ~~no~~-yes.

1 WHEREAS, Insufficient income contributes to many of the
2 social and human service needs in our state; and

3 WHEREAS, The federal Earned Income Tax Credit (EITC)
4 provides tax relief and income assistance to seniors and low-income
5 working families earning less than ~~\$51,000 a year~~; *\$50,270 a year,*
6 *depending upon filing status, family size, and income*; and

7 WHEREAS, The EITC lifts millions of individuals out of
8 poverty each year ~~in the United States~~ by supporting work and
9 self-sufficiency while reducing the need for public assistance; and

~~WHEREAS, Increasing EITC utilization represents a highly cost-effective economic development strategy; and~~

~~WHEREAS, Each year, Californians volunteer their time to participate in the federal Volunteer Income Tax Assistance (VITA) program, and are trained by the public and private partnerships with the Internal Revenue Service to prepare tax returns; and~~

~~WHEREAS, Each year, as a result of the VITA program, the EITC helps approximately 284,376 285,000 low-income households in California and brings more than \$347 million into California's economy; and~~

~~WHEREAS, It is estimated that every year, out of every family that qualifies for the EITC, 800,000 Californians fail to file for EITC, accordingly, increasing Californian's utilization of the EITC would help to bring additional funds into California's economy; and~~

~~WHEREAS, Every resident earning less than \$51,000 \$50,270 a year may qualify for up to \$5,891 in EITC which can be used to lower their taxes reduce his or her tax obligation or increase their his or her tax refund; and~~

~~WHEREAS, Every 1,000 residents taxpayers who qualify and apply for EITC represents a potential \$5.8 million economic stimulant for our communities; and~~

~~WHEREAS, An increase of \$1.2 billion each year in EITC benefits would generate \$1.2 billion in business sales, pay \$311 million in wages, and add nearly 7,500 jobs to the state economy each year; and now, therefore, be it~~

~~WHEREAS, A volunteer EITC State Commission made up of executive directors of the State Board of Equalization, the Franchise Tax Board, the Employment Development Department, and representatives from the offices of the Superintendent of Public Instruction, the Controller, the Treasurer, the Trustees of the California State University System, the Board of Governors of the California Community Colleges, and two union representatives would coordinate Volunteer Income Tax Assistance (VITA) activities and provide callers with tax credit information, including information on eligibility rules, and direct workers to nearby VITA sites for needed tax forms and assistance; now, therefore, be it~~

~~Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature of the State of California encourages agencies, departments, and commissions of California~~

1 state government to ~~identify and utilize existing and potential~~
2 ~~public or private partnerships include in their public service mission~~
3 ~~any appropriate efforts to encourage their employees to volunteer~~
4 ~~in the VITA program and to use their communications tools to~~
5 inform citizens and employees about the availability *and benefits*
6 of the EITC and the formation of VITA programs; EITC; and be
7 it further. further

8 *Resolved*, That the Legislature of the State of California
9 encourages each state entity to work in partnership with *public or*
10 private outreach campaigns *and the Internal Revenue Service* to
11 identify and utilize existing communications mechanisms to inform
12 Californians about the availability of the EITC and VITA programs,
13 which may include *placing key information in* state publications,
14 Internet Web sites, human resource materials and communications,
15 *appropriate* correspondence and forms from the state taxing
16 agencies, the Treasurer, and the Controller, targeted printed
17 materials, caseworker and client interactions, and application
18 materials for state assistance and state licenses; and be it further

19 ~~*Resolved*, That the Legislature of the State of California~~
20 ~~encourages each state entity including the State Librarian, the~~
21 ~~Superintendent of Public Instruction, and others to utilize existing~~
22 ~~state infrastructure, if appropriate, to support EITC outreach and~~
23 ~~statewide availability of the VITA program, which may include~~
24 ~~utilizing the Department of Workforce Investment Service Centers~~
25 ~~and other appropriate locations as VITA sites, staffed by trained~~
26 ~~VITA volunteers, between January and April, encouraging local~~
27 ~~school districts to integrate EITC outreach and VITA services into~~
28 ~~their parent involvement and community school efforts, and~~
29 ~~utilizing economic development tools and negotiations to~~
30 ~~encourage and support EITC outreach and employment-based~~
31 ~~VITA sites if appropriate; and be it further~~

32 *Resolved*, That the Secretary of the Senate transmit copies of
33 this resolution to the author for appropriate distribution.